

Emerging Social Welfare Issues in North East Asia

Innovation and Technology for Ageing: New initiative on building an Age-friendly Hong Kong

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In Hong Kong, the proportion of older persons aged 65 and above in the total population is about 16% in 2016, i.e. around 1.1 million. Because of post-war baby boomers inflowing old age, the pace of ageing will be increasing more rapidly. Facing an ageing population, the Hong Kong Special Administrative Region (HKSAR) government has never failed to include older persons in its policy addresses.

Year 2017 marks the 20th anniversary of Hong Kong's return to China. Back in 1997, the first HKSAR Government has already responded to challenges of demographic changes and announced "Care for the Elderly", "Active and Healthy Ageing" and "Ageing in Place" as strategic policy objectives. They have since then guided the policy on ageing in Hong Kong.

While these policy objectives are welcomed by the public, it is important to work out detailed framework on how the entire society can work together to realized them.

Age-Friendly Hong Kong

"Age-friendly City" is regarded as a promising bench-mark ageing policy framework internationally. Driven by World Health Organization (WHO), the Age-friendly Environments Program was launched to address the environmental and social factors that contribute to active ageing in societies (WHO2007a). The WHO also developed a checklist under each of the eight themes (WHO2007b). These checklists include details of all the core features of an age-friendly city (i.e. community support and health services; civic participation and employment; outdoor space and buildings; social participation; transportation; communication and information; housing; respect and social inclusion), which must also be understood and interpreted from a life course perspective since older adults do not belong to a homogeneous group when they age.

Hong Kong was not a participating member when the WHO first launched the program on age-friendly cities in 2007. Yet, being an advocate for the development of social welfare, the Hong Kong Council of Social Service (HKCSS) took the lead in promoting the concept of age-friendly city in Hong Kong by establishing a 'Age-Friendly Hong Kong Steering Committee' in 2008 with three core tasks. By now, age-friendly city measures have been started or implemented in territory-wide Hong Kong:

1. To promote public understanding on age-friendly Hong Kong;
2. With the participation of older persons and stakeholders, to foster solution to improve the lives of older people; and
3. To facilitate the exchange of information and dissemination of best practices.

Innovation and technology for ageing in age-friendly city program

In 2016, Age-friendly Hong Kong reached a key milestone. With public support from government officials, the Age-friendly Hong Kong initiative was mentioned in the Government's Annual Policy Address. Several domains could be used to illustrate how Age-friendly Hong Kong has casted significant influence locally.

Slopes and staircases are common in Hong Kong. The Government is taking active stance in providing age-friendly lift and elevated pedestrian walkway systems. Besides, the Government is fully aware of the need to provide priority seats for the needy in existing public facilities such as wet market. Age-friendly innovative design is also incorporated before any Government planning and constructing of new public space and facilities take place. The Buildings Department is also reviewing the Design Manual – Barrier Free Access 2008, and will recommend updates.

Housing is another big issue in Hong Kong. Currently, around 40% of older people live in government rental estates. Over the years, universal design and assistive technology have been adopted for newly-built units. That include widening the flat entrance, kitchen and bathroom doors, as well as using safer materials such as non-slippery floor tiles. Hence, residents can live safely in the same flat even at their old age. It is important that occupational therapists are assigned to pay home visits to assess and advise on the home environment and health conditions of the older

people. The services offered under the scheme are free of charge, and older owners can decide whether or not to engage a contractor to carry out the proposed works. Eligible older owners who cannot afford the home modification and maintenance costs may apply for a maximum government grant of HKD\$40,000.

The use of information technology is another area to show. A new interface with new functions HKeTransport app was introduced by the Transport Department. The application provides one-stop, point-to-point public transport route enquiry for pre-trip planning. In order to help older people integrate in a digital world, the Government has financed the development of the eElderly website providing information about elderly services. The Government also promotes the adoption of barrier-free website design and mobile apps by public and private sectors for the convenience of the older people. Funding has been provided for developing mobile apps to offer cognitive training for people suffering from dementia and to help the older people search for information on activities available.

Other than these positive measures, additional resources were set aside for the community to promote the building of age-friendly communities at the district level. With the concerted effort from both top down and bottom up commitment, we are building Hong Kong as an Age-friendly City.

Last but not least, on the 16-18 June 2017 at the Hong Kong Convention and Exhibition Centre, an event titled “Gerontech and Innovation Expo cum Summit (GIES)” was held as one of the celebratory activities of the 20th Anniversary of the establishment of the Hong Kong Special Administrative Region. This event was co-hosted by HKSAR government and HKCSS. The Hong Kong Science and Technology Park (HKSTP) was a co-organizer.

GIES consisted of two parts – the Summit engaged a wide spectrum of the international and local community, including the public and private sectors, policy makers, academics and professionals, the young and the older generations, to share information, exchange views and lessons, and debate new ideas about the current and emerging health and social challenges for our ageing population, as well as about developing, adapting and empowering technology and innovation to meet these challenges; and the Expo, which was open to members of the public, showcased local and global examples of technological and social innovation in areas

including assistive and medical devices, wearable gadgets, sensor and monitoring systems, food, telehealth, smart home technology, robotics as well as delivery of our public healthcare services, home-based care and community-based support. Throughout the three-day event, we had also hosted a number of theme-based workshops to look at emerging issues confronting the use of innovation for the ageing population.

The three-day GIES was met with enthusiastic public response. A total of 43000 people visited the event, showing great local interest in technological and innovative adoption to help old people. The Summit served well as a platform for exploring various issues regarding ageing in the technological era from angles including social care and healthcare.

To follow up on the GIES, HKCSS and the Electrical and Mechanical Services Department would organize a design competition targeting youngsters. This serves the purpose of encouraging young people to use their creativity to help improve elderly persons' daily living. A series of exhibitions on selected products will be held in various districts in the coming year for educating the public about Gerontechnology. The HKSTP will also launch a competition titled "Silver Innovators" in the fourth quarter this year. Winners of the competition will be provided with grants and other support to transform their relevant innovative concepts into prototypes. We would like to see the momentum in caring for the elderly be sustained in the community. The Council will continue to call upon the younger generations to come up with innovative solutions on enhancing the well-being of elderly persons

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Promoting a New Concept of Community Welfare – “Regional Cohesive Societies”

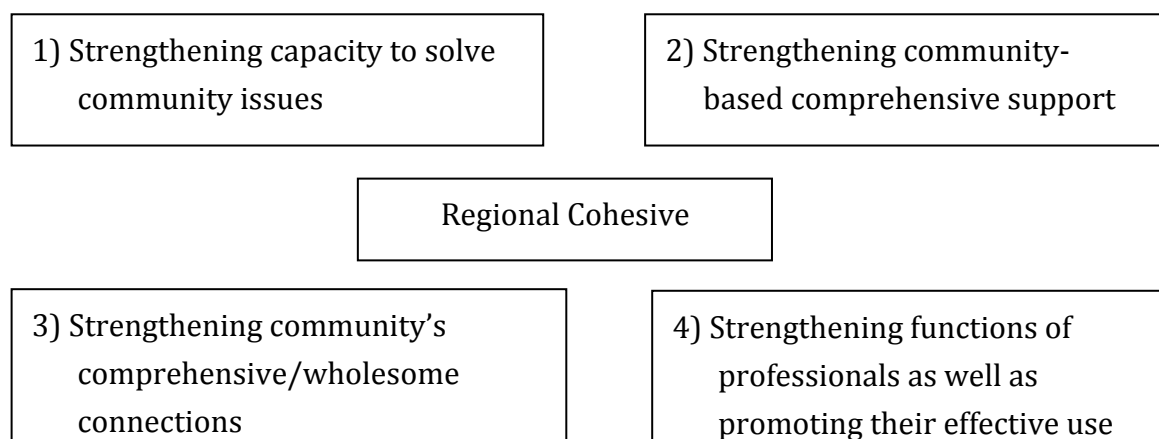
Japan National Council of Social Welfare (JNCWSW)

1. Law amendment with the new term “Regional Cohesive Societies” as its key principle

Following the amendment to Social Welfare Law regarding the social welfare corporation reform in 2016, amendments to the Social Welfare Law, adding articles to promote comprehensive community welfare policy, were passed at the end of May, 2017.

The key term is the “Regional Cohesive Societies.” In the description paper for the law amendment, it states the objectives as follows: “Toward the realization of Regional Cohesive Societies, as an ideal for promoting community welfare, community residents and other related organs will understand/grasp various livelihood issues of community residents and households in need of social services, which are widely diversified, and to seek ways to solve such problems by liaison/collaborating with various related organizations providing social supports. “

Basic ideas of the reform to achieve the goal of creating “Regional Cohesive Societies” are as follows. 1) and 2) were incorporated in the law amendment of May, 2017



- 1) Strengthening capacity to solve community issues:
 - *Strengthen mutual support functions of resident themselves and organize a system which would work with public support systems to solve regional issues (2017 amendments)
 - *Establishing comprehensive guidance/consultation/support system to respond to diversified/complex and multilayered issues (2017 amendments)
 - *Substantiate Community Welfare Plan (2017 amendments)
- 2) Strengthening community-based comprehensive support
 - * Universalization of the idea of community comprehensive care ⇒ to widen the target population from elderly only to wider range of people who are having various issues in their livelihood and to organize comprehensive support system.
 - * Creation of cohesive styled services (2017 amendments and 2018 revision of care fee standard)
 - * Strengthening the capacity to promote community-based health services at municipalities as well as to start discussing the way comprehensive support system connecting wider range of services should be.
- 3) Strengthening community's comprehensive/wholesome connections
 - * Promoting training/participation of various types of people to take up community issue and to work on them; Promotion of effective use of private funding; facilitating various types of vocational opportunities as well as social participation
 - * Supporting pioneering activities which can create new "circulation" in the community, by wholesomely connecting various types of social resources, such as abandoned firm land and programs for environmental protection, etc., beyond the boundary of social security.
- 4) Strengthening functions of professionals as well as promoting their effective use
 - * Discussion to include common basic training curriculum among certification process of various human service professionals.
 - * Discussion to exempt some academic programs/examination item for those who had already acquired other social welfare related certifications.

The term "Regional Cohesive Societies" was not used in the actual article of the Social Welfare Law; however, MHLW has introduced the term to describe the

concept in its paper to explain the summary of the law amendment. In the description, the term has been used as equivalent term to the “community welfare” which is used in the law, which reveals the attitude of MHLW. It is the reflection of the standpoint that community building activities and social support activities are inseparable.

Relationship with the term “Regional Comprehensive Care (centers)” and “Regional Cohesive Society” is that while the former is the term used only for the services to elderly persons while the latter expands its target to wider population, such as persons with disabilities and children, as well as complex issues. The latter can be regarded as the umbrella for the former.

2. Interconnectedness with the Policy to Promote Self-Reliance of People with Livelihood Hardships

Since 2016, a social welfare service system for persons with hardships in their livelihood has started. Basically, the Social Welfare Law amendment this time has been in line with this new system, expanding its philosophy.

The system is focused on those having hardships and their “needs” are described in the textbook for training workers involved in the program compiled by the national government:

When defining the “People with livelihood hardships” recent trend is to take up wider statement such as; that they are not only having financial difficulties (poverty) but also suffering from various types of exclusion, including isolation in the community, etc. In fact, issue of financial poverty and social isolation seems deeply interwoven and the root of these problems seems the same. It also means that because these issues are in multilayered and are tangled up complexly, finding solutions has not been easy.

In this system, it is important not to exclude any issues consulted by those who are having livelihood hardships and to respond to them. It also is very important to strengthen community network so that not just accepting and understanding the people in need but also to respond to their issues wholesomely in the community by strengthening community networks.

(Source: textbook used at the training session organized by national government)

Here, in order to respond to the needs of people with economic hardship, it is requested that centers/organizations providing guidance/consultation to open their arms widely to accept various concerns and hardships. It also pays attention to social isolation and in order to prevent such isolation, emphases are put on community building.

Based on the understanding that economic hardship has been one of the big issues in Japan, the idea is that existing social welfare/security coverage such as pension and public assistance systems themselves alone would not be able to cater the whole needs.

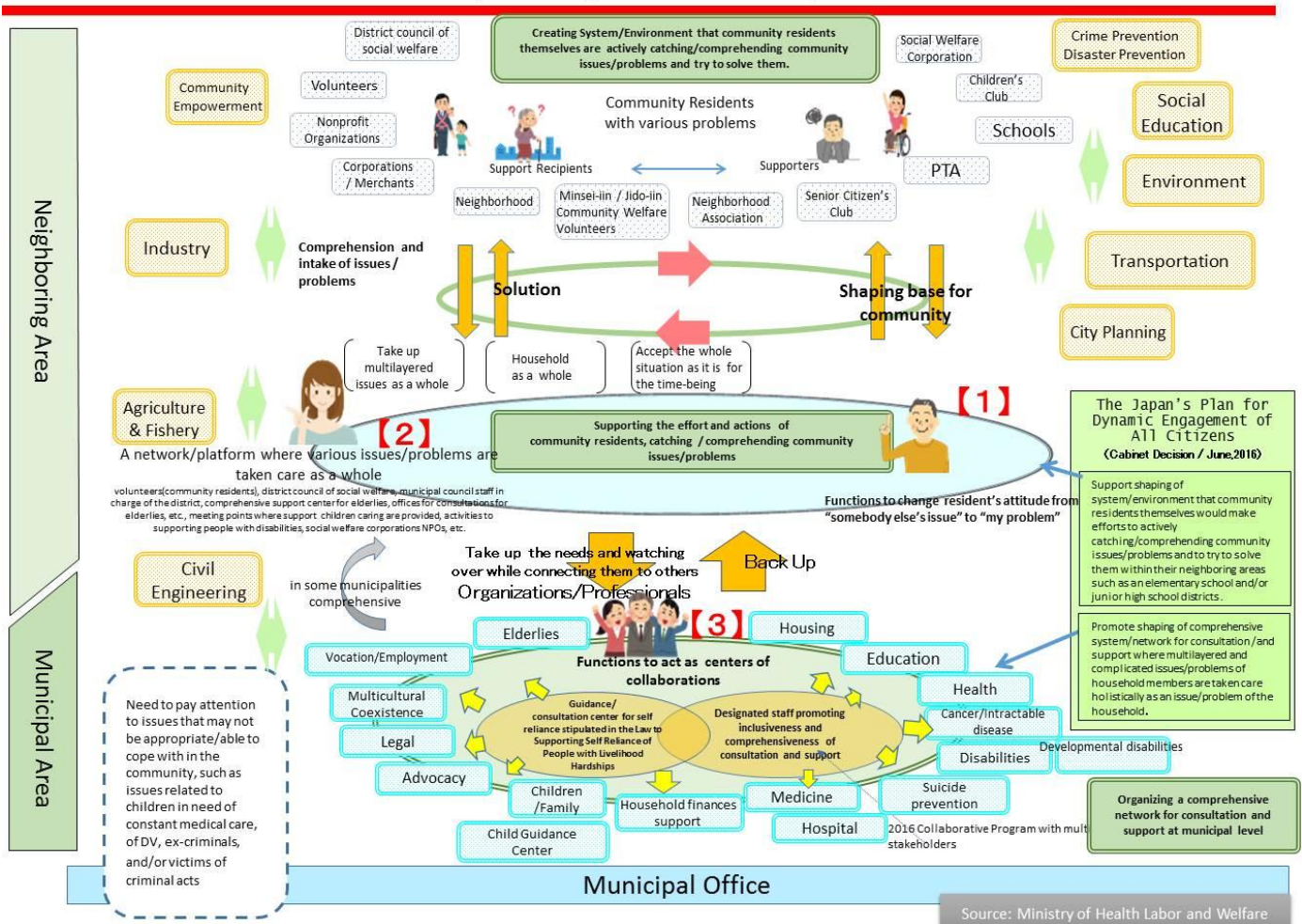
It also co-related with the trend that, in Long Term Care Insurance Law amendment, the visiting care services and commuting type day care activities for those in need of support levels were shifted to mutual help activities by community residents, as well as with the trend of social welfare corporation reform which requires social welfare corporations to take up various issues not stipulated in the system as their major role in the society.

3. Structure to Promoting Regional Cohesive Societies

Following map shows the concept by indicating who does what and how they are co-related.

Emerging Social Welfare Issues in North East Asia

Image showing the strengthening of capacity to solve community issues by community residents and to promoting community based comprehensive guidance/consultation system



Guidance/ consultation/ support center for self-reliance stipulated in the Law to Supporting Self-reliance of People with Livelihood Hardships plays a core role in the network/ platform for collaboration. They are expected to be a leading organization taking up various issues, not limited to poverty related but also to other concerns and problems. Other social welfare related organizations are also expected to take up wider range of resident's concerns and problems for guidance/ consultation/ support and they are expected to collaborate with other professionals/ organizations so that they can coordinate/ facilitate/ connect clients to necessary services and other support. The key is "taking up wider range of issues" than their original profession/target.

You may also notice that the self-help/mutual help type services by resident themselves and systems to support such activities are indicated in the top part of the

map, showing the idea that such efforts are vitally important in realizing the “Regional Cohesive Societies”.

4. Some Concerns and Issues

There lie various obstacles in promoting reform/reorganizations of social welfare systems and related fields based on the idea of “Regional Cohesive Societies.”

1) Financing

There is no new budget allocation to promote this idea of “Regional Cohesive Societies.” Each nationally stipulated social service programs are based on each Law with specific target groups. In order to support people who are not originally their target population, there need some flexibilities and good coordination to combine/squeeze finance from various sources. There will be a need to discuss cross-sectional funding in the near future.

2) Roles of Residents

Some of the programs to be undertaken are depending heavily on the voluntary works of citizens themselves. There are doubting voices that the new policy may be aiming to reduce the government’s responsibility and sift such responsibilities to citizens. It is important to separate the issue while explaining that not all the needs can be catered by existing statutory services only.

3) Effective liaison and coordination

Instead of emphasizing “one-stop-services”, centers for guidance/ support for self- reliance of people with livelihood hardships are expected to play central role of collaboration, whose characteristics include responsibilities to take up programs other than stipulated in law, in accordance with the basic concept of the new policy. Another new development is to place a worker to promote comprehensive/ wholesome guidance/ consultation/ support whose role is to coordinate various supports from various organizations of each case. Fact is that even the need for liaison and coordination among related organizations and stakeholders have been emphasized for a long time, in reality, effectiveness has yet been limited to unsatisfactory level. There needs serious change of attitude and effort to make it effective.

4) Community Welfare Plan by Municipalities:

The concept of Community Welfare Plan is not new. However, in the amendment, it is stated that the community welfare plan to play a function as the umbrella plan for the community to support lives of people in a cross-sectional and comprehensive way, interrelated with various other plans for respective target population, such as a plan for elderly, for persons with disabilities, and/or for children. If they can play such central role or not would heavily depend on the judgment of each municipality.

5) Better understanding of social welfare and community building

People in the field of social welfare have been promoting the idea that considering the people in need as their first priority in planning community well-being would be most effective in building good community and thus the concept of “welfare minded” community building has been emphasized. Though there is no change of basic philosophy, utilizing a new term/slogan of “Regional Cohesive Societies” may sound different to some people. There may be a need to cordially reminding purpose and ideals of “welfare minded” community building.

Korea's Experience in the Application and Development of Gerontechnology: The international gerontechnology expo and Asian gerontechnology forum are required

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Korean Association of Products and Services for Senior citizens

In 1989, Graafmans invented the term “gerontechnology” which has played a major role in preventing physical aging, psychological aging, and social aging. It has also played an important role in helping the elderly to maintain a decent standard of living, providing compensation for their reduced abilities, alleviating the burden on their family and caregivers, and encouraging research in which the elderly participate. In Korea, gerontechnology was applied and developed to improve senior care, housing, leisure time, and welfare. Technically, there were assistive technology and rehabilitation approach in place to support recovery for mental and physical disabilities caused by aging. Incorporating the notion of barrier-free and universal design, meaning that what is convenient for the elderly is good for everyone, senior-friendly services and living environments were provided. This was a simple and low-tech tool to provide solutions for housing and mobility, as well as everyday problems so that the senior citizens could enjoy safe and independent lives. However, consumers only started looking for these tools after growing old and developing disabilities or diseases. Often, the elderly and their families did not even know what kind of support they could receive.

Beginning in 2005, the government enacted the Senior-Friendly Industry Promotion Act and enacted the Saeromaji Plan on a five-year basis to boost this industry. The government put ICT/IoT, active aging, and anti-aging at the center concept to enhance existing senior products and services. It also tried to apply the concept of preventive care. Some companies participated in AAL projects in Europe and conducted more extensive research. Joining forces with the government, they made it possible for consumers to experience these products and services. However, this was not welcomed by the market for several reasons. First, providing the services as welfare benefits had limitations and they were often unable to detect aging problems or create values by themselves. Second, these products and services were

not enough to solve aging problems entirely and were not suitable for all aging levels, which made it difficult for customers to use them. In addition, they were not safe, convenient, or interactive enough. Third, if customers were not recipients of the long-term care insurance for the aged, they did not have access to welfare supplies and, as such, had to endure the burden of expenses with nothing other than their paychecks. Similarly, the providers of the welfare services and facilities within the ICT system were not willing to invest in additional workers, time, or in reducing purchasing costs.

However, the fourth industrial revolution creates new opportunities to address these problems. With artificial intelligence, Internet of Things, and robot technology, products and services for the elderly can become automated, autonomic, and interactive. Further, innovation in productivity makes cheaper and more customized services possible. These changes in technology are highly likely to transform the life and environment for the elderly and create new values and markets. In this fast-changing technological and social environment, worldwide efforts are needed to share technology, nurture innovative manpower, and develop the standard and theory quickly. In other words, we should take this opportunity to expand worldwide cooperation and exchange.

As the President of KAPSASS, I suggest that related governments and organizations should hold an Asian gerontechnology forum and the international gerontechnology expo. In November of this year, the gerontechnology expo and forum will be held in the “SENDEX 2017” exhibition.

The next ten years could be more promising than past years. With this new opportunity, gerontechnology will become a cornerstone on which we can “make later years happy and enrich the silver world,” as the KAPASS’s slogan proposes.

* KAPASS: Korean Association of Products and Services for Senior Citizens, since 2003

Convergence of Welfare and Technology: Welfare Innovation in Korea

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Welfare technology is generally defined as technology that supports our daily lives; however, I would like it to be defined specifically as “a package or institution that encompasses knowledge, technology, relevant laws and regulations, facilities and equipment based on information technology, intellectual property rights, or patent systems.” It could also mean “innovation that surmounts inefficiencies in welfare related services or institution.”

According to the definitions above, welfare technology linked to scientific technology is named gerontechnology or elder tech since it addresses the needs of an aging population. It utilizes information technology in healthcare or other care services, thereby making welfare services more effective. Welfare technology in terms of institution contributes to improving the efficiency of welfare expenditure and delivery system by introducing a new institution as well as employing or complementing the existing one.

Korean welfare technology in terms of institution has followed systems in advanced countries and accordingly grown exponentially. It took 15 years on average for Korea to introduce and complete social insurance(industrial accident compensation insurance, health insurance, national pension, and employment insurance) and the National Basic Livelihood Security System. Less time was spent in Korea in comparison with over 30 years in developed nations. Korean government has dramatically increased welfare spending (13 trillion won in 2017), thereby accounting for 32.4% of its total spending.

For all these advancements, Korea’s welfare technology still lags behind advanced countries’ given its low benefits and shorter term of benefit payments. Although welfare technology, including voucher, service purchase order, and integrated social welfare network, has been introduced, there is still room for improvement.

Welfare technology in Korea should contribute to creating an ecosystem, which is effective, preventive, convergent, and innovative; firstly, welfare technology centers can be established to promote the innovation of welfare technology and its distribution; secondly, welfare innovation minimizing inefficiency of service delivery process can be possible by addressing community's welfare needs through community-based social economy organizations.

Consequently, welfare technology in Korea is projected to reduce inefficiency of government spending caused by increased welfare expenditure, to advance scientific components of social welfare, and to ensure expertise in social work fields.

Vision of Social Contribution Platform

Korea National Council on Social Welfare

In 1952, amid the Korean War, the Korea National Council on Social Welfare (KNCSW) was established as an association of social works that distributed relief goods to welfare facilities such as orphanages (now called 'a children's home'). Since then, it has continued to grow and develop, playing a pivotal role as a consultant and mediator in the private social welfare sector.

In particular, as a public corporation of private social welfare services, the KNCSW has contributed to the promotion and development of social welfare in Korea by carrying out consultation and coordination, policy development, survey research, education and training, and the promotion of volunteer activities for promoting private social welfare and welfare project implementation for socially disadvantaged groups.

The social welfare in Korea has been steadily developing and evolving through tireless efforts of the government and the private welfare area aimed at achieving economic growth and advancing the industrial structure since the early 1960s and building a welfare state since the late 1970s.

Now, Korea is dreaming of a new leap forward: 'The Miracle of Korean Welfare State' beyond 'The Miracle on the Han River' which experienced a remarkable economic growth.

Korea has transformed itself from an 'aid-recipient country' to a 'donor country' within the past half century, growing into a country that teaches the Korean welfare model.

Since Korea joined the International Council on Social Welfare (ICSW) in 1959, a small country in Asia, which once received foreign aid, is now on the pathway to Korean welfare state which supports countries in need of socio-economic supports around the world.

In the meantime, as Sang Mok Suh, the former Minister of Health and Welfare, was appointed as the president of the KNCSW early this year, the KNCSW has been preparing for another leap to become a truly advanced welfare state without welfare blind spot where all people would be happy in the era of the Fourth Industrial Revolution through playing a future-oriented and key role in the social welfare area. In this sense, the KNCSW plans to implement social welfare innovation projects that enable a happy welfare state where the people enjoys happy life through harmonious cooperation among the public and private sector and local communities.

Firstly, the KNCSW will legislate to establish councils in all local areas so that the social welfare delivery system can be performed well at grass-roots level such as *Eup*, *Myeon*, and *Dong*. In addition, it will strengthen infrastructural functions which support and nurture 'mother theory' focused on fields while practicing the 'toothed wheel theory' which engages and well operated among private organizations.

In particular, the KNCSW has developed the expertise in supporting corporate social contribution activities which is the largest area of private resources by running the 'Community Relations Center' for the last 10 years. Based on this experience, the KNCSW will make tireless efforts to build and operate a 'Social Contribution Platform' that links local-based social welfare needs with human and material resource providers nationwide.

Various support systems have been established so far to solve welfare blind spots based on the social welfare delivery system at the governmental level. However, there has been the neglect of the cooperation between public and private resources and network building in which welfare resources are in harmony with local communities.

In recent years, corporate social contribution, which is the largest area of private resources, has invested about \$5.2 billion in social contribution. However, as it cannot grasp issue-related information and needs of local communities properly, the level of social contribution about which the public feel continues to deteriorate.

In order to create the satisfaction of these local communities and the impact performance of corporate social contribution activities, the KNCSW has established a business plan to create a 'social contribution platform'. In other words, it will

establish a platform that matches the supply of welfare resources and the demand of private welfare in one place. No matter how good a physical system is established, it is difficult to create a clear social performance if 'supply and demand of welfare resources' do not work like the market economy.

In this regard, the KNCSW will provide a solution for social contribution innovation that can solve local issues through the economic mechanism transferring the energy and power of private resources to social welfare fields.

This year, in order to establish the foundation for the success of social contribution platform and to ensure that a solution program in one region can be spread to other regions and that the platform meaning linkage and collaboration beyond demand and supply can be established, the KNCSW will make various efforts such as communication between regions, education promotion, knowledge information system building, etc.

<Five Stages for Implementing a Social Contribution Platform >

- Stage 1: Find out problems in the society at large including local welfare issues
- Stage 2: Develop an optimized solution program that can solve real problems by integrating local private resources
- Stage 3: Design a sustainable implementation structure through a regional cooperation network
- Stage 4: Develop and systematize social performance index by solution program
- Stage 5: Promote successful cases of social contribution platform

In addition, as for the social contribution platform, the KNCSW plans to build a system such as capacity building, knowledge information and case study to ensure that the social economy including local social welfare councils themselves can plan, design, operate solution programs for solving problems in local communities. In other words, a virtuous-circle platform will be designed on a small scale to ensure that working groups by stage can play a role within one platform structure.

Through such a social contribution platform, the KNCSW is able to strategically respond to common tasks in Korea such as job creation, socially disadvantaged groups, welfare blind spots, multicultural families, etc. or global common tasks like Sustainable Development Goals (SDGs) at a local community level. To succeed in this innovation platform structure, complex problems of local community in the modern world should be effectively solved through the way in which different sectors such as the government, corporations, and social organizations cooperate with each other, that is, collective impact.

In order to successfully implement the social contribution platform mentioned above, the KNCSW plans to learn successful strategy cases in a specific manner by directly benchmarking overseas best practices such as BITC (Business In The Community) in the UK and The Hong Kong Council of Social Service, etc. In addition, it plans to hold a global forum to celebrate the 10th anniversary of the Community Relations Center, sharing the progress of this project and cases.

Through the social contribution platform project, the KNCSW will play a pivotal role in growing into the advanced welfare state and demonstrate its core competency through 'the era of welfare management' where welfare and management are integrated and operated, that is, Welfarenomics.

The world where we live in is becoming more complicated and diversified day by day, so building a local community and welfare state where all people live well is considered one of the most important social values.

In this sense, the KNCSW will actively take the lead in realizing 'a welfare society that pursues creative convergence and mutual development' by meeting the needs of this era, and will fulfill its social responsibilities as 'a mecca of building sustainable social welfare ecosystem and of social innovation'.

Mongolian Social Welfare System

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In the early 1990s Mongolia has chosen a free market economy of centrally planned economy of the socialist era. Today Mongolia is a democratic country with an open free market economy. Before 1990s in the Socialist era everyone had the equal right to work and to get social benefits. Welfare issues were under control of the state and led a communist party whole country. But through this political and systemic transition Mongolia faces so many social problems such as a poverty, unemployment, alcoholic, violence and street children et all. So that from these issues Mongolia needed new social welfare system. I introduce some of the characteristics and current state of Mongolian Social Welfare System and social welfare programs.

1. Legal Environment of Social Welfare

In 1995 the Social Welfare Law was approved by the Parliament. It was first Social welfare Law and after this Mongolians started to use the word “social welfare”, “target groups”.

Legal environment of Social Welfare in Mongolia

- ▶ 1995: Social Welfare Law approved (1998, 2010: Social Welfare Law amended)
- ▶ 1996: Children Right protection Law approved
- ▶ 1997: Minimum Guaranteed income introduced
- ▶ 1998: Law on Social Welfare for the Elders
- ▶ 1998: Law on Social Security for Individuals with Disability
- ▶ 1999: Family Law approved
- ▶ 2001: Employment Promotion Law approved
- ▶ 2002: Law on Establishing Minimum level of Social benefits
- ▶ 2016: Child Right Law approved
- ▶ 2017: Law on Against Family Violence approved

This year approved Law on Against Family Violence, it is good challenge to prevent family violence and now so many family experts work to amend Family Law.

2. Mongolian Social Welfare Education

In 1997 the first Social welfare department opened in the Mongolian State University of Education and started to train professional social worker. Every year graduate from university about 300 social workers. Now about 1000 students study by Social welfare in 17 universities. In 2016 in Mongolia about 3200 persons work in state organizations of social welfare fields as a following (N.Nyamdorj; 2017):

- ▶ At Labor and Welfare fields: about 1200 persons
- ▶ At Community office: about 800 persons
- ▶ At School (middle and high school): about 730 school social workers
- ▶ At Hospital: about 200 medical social workers
- ▶ At Child protection organizations: 200 social workers
- ▶ At prison and court: 70 social workers (since 2003)
- ▶ At police office: 10 social workers (child right protection, since 2007)

Unfortunately, because of poor working condition, most of social workers went to the other ways after graduating from university. So that need to improve better working condition for social workers and empower faculty capacity and reinforce social welfare training.

3. Mongolian Welfare programs

Mongolian Welfare programs focus on the provision of social pensions, allowances and services to citizens with social needs who are in poor health, lack family support, and are not capable of living independently. And expenditures for all programs have been increased since 2010 to reflect demographic trends in an expanding population, offset the impact of inflation on households incomes and reduce poverty (Yolanda,F.L; 2016). But the poverty rate was not reduced even though increased Social expenditure Example, Mongolian economy grew by increasing mining sector income in recent years. The Government attempt to reduce poverty by distributing

cash benefits and grew Social expenditure to distributing. However this cash benefits give positive outcomes to poor and vulnerable people but some of beneficiaries are non-poor people. World Bank estimated that as many as 70% of beneficiaries were from non-poor households, and that 40% of poor households-and 25% of the poorest households-did not receive any assistance. [A World Bank analysis of the social welfare programs in Mongolia](#) revealed that just about half (49%) of all citizens are direct beneficiaries of at least one program, when the Child Money Program is included. Without the Child Money Program, some 19% of the population is direct beneficiaries, with 14% receiving multiple program benefits. (Junko. O; 2015). So that growing of expenditures did not impact to reduce poverty.

In general, The Social welfare system and programs in Mongolia still young and there are some problems and difficulties. So that now we need to improve at all levels of welfare system that considering Mongolian situation and characteristic. The Mongolian Government need the basic tools to make the more efficient and effectively social welfare system that to reduce poverty and unemployment rate. Need accurate survey data of target groups and deliver cash benefit who need social support. And also we need to develop several social services for elders and children who live without the protection of caring family. To use expenditures for better social welfare programs. Need to improve working condition of social workers, and social welfare education.

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A Reform towards Wrong Direction: Pension Politics in Taiwan

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Introduction

The social protection system in Taiwan is generally consisted of three categories: social insurance, welfare services, and social assistance. A remarkable development of statutory welfare systems was witnessed in the decade of 1990s, including the realization of the National Health Insurance (NHI), unemployment insurance, allowances for elderly people, special protections for children and women against violence, and a lot of policy debates on National Pension Insurance (NPI) that was finally enacted in 2007 and implemented one year later. Following with the challenges of population ageing and working poor induced by globalization, now the policy debates pay much attention on the establishment of long-term care system and the reforms for a sustainable pension system.

This paper intends to offer the most updated information on the ongoing pension reform in Taiwan, especially the mismatch between its original goals and the policy proposal that has made pension reform the largest divided factor in Taiwan's society.

Profile of Taiwan's Pension System

In order to understanding Taiwan's development particularly in the 21st century, this section would demonstrate some institutional and political backgrounds related to further discussion on pension reform in Taiwan. First, at the political aspect, democratization since the 1990s has eventually resulted in the two-party system, KMT and DPP (Democratic Progressive Party), and the year of 2000 was a historic watershed for the Taiwanese politics. For the first time the authoritarian ruling party, the KMT, lost its power in the presidential election and was replaced by the young opposition party, the DPP. As the strongest opposition party in the 1990s, the DPP was well known not only for its political argument for Taiwanese independence but also for its pro-welfare ideology, in contrast to the KMT's mainlanders' position and economy-first policy. In the 21st century, the DPP was the ruling party during 2000-

2008, leading to increasing tension between China and Taiwan because of the DPP's ideology pro-Taiwan independence. This also created an opportunity for the KMT's fighting back. In 2008, the KMT, led by President Ma Ying-jeou, won the presidential election with 59% majority. Differing from the DPP's policy, President Ma insisted that the ever closer relationship with Mainland China is the most important pillar to restore Taiwan's fast economic growth. This, however, did not bring in the improvement of employment and working conditions highly expected by the people, especially the younger generation. New social movements were provoked in pursuit of a deeper social reform for all people, not just for businesses, leading to distrust in Ma Ying-jeou government and his policy. Now the DPP leader, Tsai Ing-wen, defeats the KMT in the 2016 presidential election with 56% majority and becomes the first female president in Taiwan, implying a radical change between China and Taiwan again.

At the institutional aspect, following the Multi-pillar structure proposed by the World Bank, Figure 1 is the overall picture of pension system in Taiwan that social assistance plays the function of basic safety net and then top up with public pension (covered by social insurance), occupational pensions (based on employers' liability) and voluntary schemes. For those who engaged into labor market, Pillar I and II are fundamental sources of incomes in retirement. Due to its occupation-based system, public employees, including military servicemen, civil servants and public school teachers, enjoyed a better level of retirement benefits, generally about 75% or higher replacement rate of their working payment, while workers were 50%. Moreover, the retirement funds for public employees were expected to run out in ten years because, first, the government intended to reduce its size that accordingly decreased the number of newcomers to contribute premiums and, second, population ageing made the pensioners increasing. So, pension reform is now the most critical issue and will explore more in the next section.

After a very long time of debates over ten years, the National Pension Insurance (NPI) was finally enacted in 2007 when DPP was the ruling party and then implemented one year later when KMT was returning as the ruling party. This implied a political uncertainty to NPI. In 2007, the DPP government was under a lowest level of public confidence, somehow for the reasons of its legitimacy and easier implementation, NPI was down scale to cover those who were not covered by any other social insurance schemes. Many important impacts followed. First, most insurants under

NPI were disadvantaged groups with less financial capacity to pay premiums and therefore the government has to bear larger responsibility, subsidizing 40% to 100% of premiums according to different categories of disadvantaged groups. Second, even though NPI covered four kinds of benefits, including old-age pension, disability benefit, funeral benefit, and survivor payment, the benefit level was difficult to rise up because of limited financial capacity. Third, the low level of benefit further retarded the incentives to join in NPI. Eventually, the real coverage of NPI was under 30% of the expected coverage, meaning that a lot of disadvantaged groups were still out of insurance.

Apart from benefits from assistance and insurance schemes, there were some kinds of allowance specifically for the aged with insufficient incomes. Since 1994 the Living Allowance for Middle-Low Income Elderly People and since 1995 the Welfare Allowance for Aged Farmers have set up by the government and together benefited around 816,000 people (figure for 2010). These allowances offered NTD 3,000 to 6,000 per month cash benefit and now have gradually been integrated into expanded social assistance and NPI.

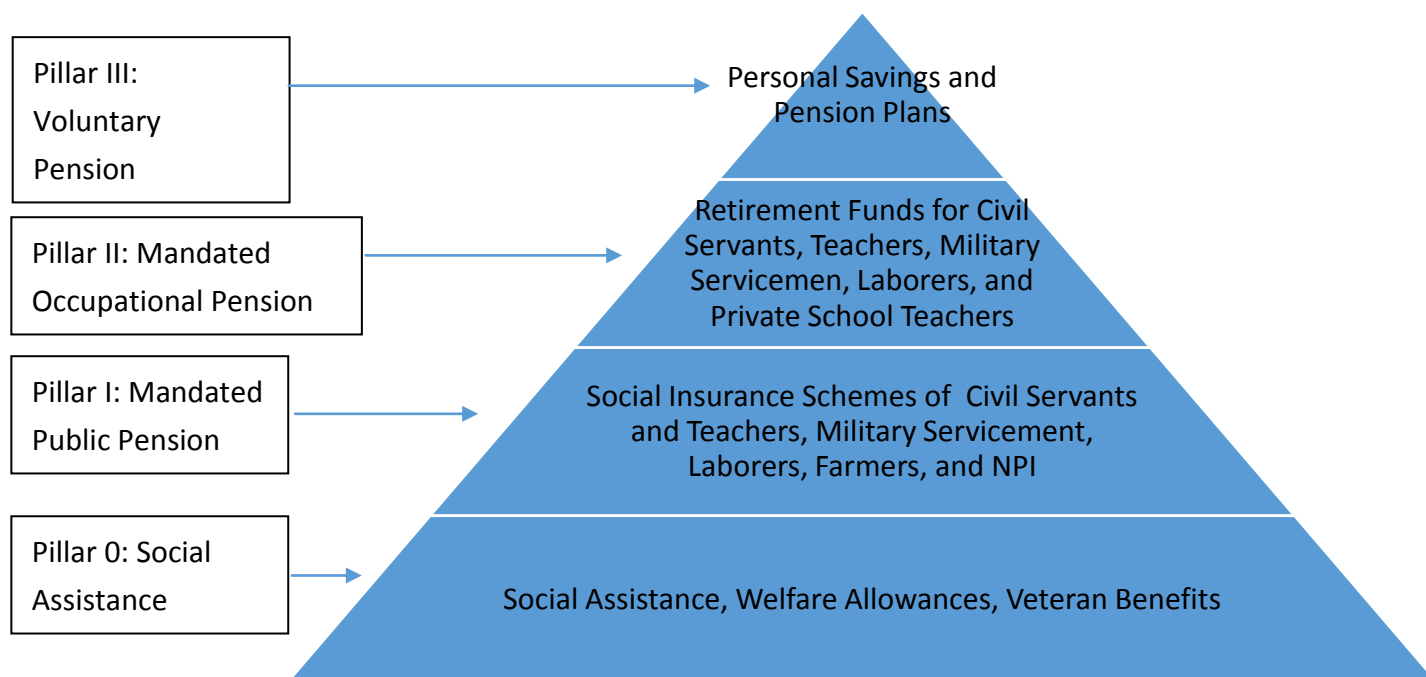


Figure 1: Multi-Pillar Protection System for Elderly Economic Security in Taiwan

Source: The author drawing from information released by the website of Pension Reform at the President Office (<http://pension.president.gov.tw/Default.aspx>)

Reasons and Proposals for Pension Reform

The coming of global financial crisis in 2008 made poverty and worse feeling on income inequality even more critical than before. Interestingly, just like the former DPP President Chen Shui-bian, President Ma Ying-jeou and his KMT party did not pay enough attention on making new social welfare policy until his second term was approaching. The 2012 Social Welfare Policy Guideline was therefore processing during election campaign and finally announced almost just before the polling day. In the part of income maintenance, the Guideline held the same policy with previous guidelines, arguing 'the government should build a social security system that is based on social insurance principally and social allowance secondarily and that holds social assistance as the basic safety net. The government should also stipulate how the functions of the three are differentiated and integrated'. Pension reform was therefore proceeded with until the second term of President Ma.

Under the aggregating pressures of social and economic structural change, democratization and population aging, income maintenance system was required to provide new benefits and more payments for meeting new social needs. However, financial sustainability emerges as a critical issue because of the demographic shift of more pensioners and less contributors. In addition, the generous payments for the large sum of public employees have not been significantly reduced that provokes an unequal feeling between public employees and workers in private sector. All these rise up the requirement of pension reform.

In 2012, the KMT government proposed three goals of pension reform as financial sustainability, guaranteed economic security, and intergenerational equity (PRTF, 2013). The goal of financial sustainability means that the government should make sure the safe cash flows for over 30 years. The goal of guaranteed economic security means that the government would take ultimate responsibility for the payment of all social insurances and pension funds. The intergenerational equity means a more balanced share between pensioners, the old generation, and contributors, the young generation. According to the proposal, pension reform would be implemented at five aspects (PRTF, 2013):

1. Reforming pension replacement rate, meaning to change and reset reasonable payment standards for reducing the expenditure of pension

systems.

2. Increasing contribution rate, meaning to raise premium for collecting more incomes.
3. Amending payment conditions, meaning to raise the retirement age and reducing basic unit payments (average insured salary) by increasing the years in calculating basic unit payment.
4. Improving fund efficiency, meaning to increase fund income from investment.
5. Governmental ultimate responsibility, meaning that government will bear the ultimate payment obligations

A lot of public hearings were held by the KMT government to collect comments and opinions about the proposal, but no solid reforms took place because of massive objections from public employees. As the DPP returns as the ruling party since May 2016, the government resumes a national committee as a platform of negotiating varied kinds of pensioners and expects to reach a final conclusion in one year. However, if we carefully check the goals set by the DPP before and after it becomes the ruling party, a radical mismatch can be found. In 2013, the DPP proposed five goals of pension reform as sound financial sustainability, equal benefit for social solidarity, premiums shared by government, employees and employers, institutional integration, and a national coverage with adequate benefit, while in 2016 as the DPP as the ruling party, the goal of nationally adequate pension is missing. Without a promise of nationally adequate pension, pension reform under the DPP government becomes a movement of welfare retrenchment, cutting benefits especially for those who worked in the public sector. The problem is that cutting pension for public employees will not necessarily lead to financial sustainability because of two reasons. First, the number of public employees is relatively smaller, less than one tenth of private employees. And, second, pension in Taiwan is in fragmented and financially independent system. Thus, cutting pension for public employees will decrease governmental financial burden, but the saved money will not be able to finance the pension for private employees. Moreover, according to governmental estimation, the reform only extends 13 years to bankruptcy and the labor pension will be the first one to run out of fund, estimated in 2036. This means the current reform not able to realize the goals of sustainable and equal pension.

Concluding Remarks

Pension is a highly stratified with different occupations and statuses especially in favor of employees in the public sector that might be regarded as a legacy of authoritarian regime in the postwar era. Democratization since the 1990s has raised the issue for a more equal and national pension for all the people but the ideal has not yet made a real shift of the existing elderly pension system. The DPP traditionally held hostility towards welfare for public employees as a symbol of unequal society. So it is not surprising that the pension reform mainly leads to cutting pension for public employees and therefore provokes massive street demonstrations against the DPP government. Some comments worrying for the costs of such a reform will be an even poorer society because the DPP government does not pay attention to rise up a standard for national pension, especially for private employees.

The importance of welfare provision in improving social inequality and therefore maintaining social cohesion has been widely addressed, while the politics in policymaking also remarkably influences the extent welfare can fulfill such function. Democratization in Taiwan did contribute significantly to its welfare expansion after the 1990s, but, as Ku's observation (2010), the DPP as the first democratic government was not able to realize its promise of a more equal and solidaristic society. The decline of public confidence in government did not only induce the failure of the DPP in the 2008 presidential election, but also raised important issue of state failure in the establishment of institutional welfare system. Without trust from the people, statutory welfare will lose its root as reliable source of security against risks along with human life, resulting in the limited effects of social integration and cohesion. Moreover, trust will be helpful to reduce the complexity of a globalizing and fractionalized world, and good governance is more likely to be secured if trust can be fostered and maintained. This also explains the possibility of social cohesion in an unequal and divided society. Even in the most social democratic welfare state, some kinds of inequality are still there. The lesson of Taiwanese welfare politics to any democratic government is that how to acquire public confidence through consistency between social policy and public expectation should be the first priority and this is particularly important to social cohesion in a divided society. The DPP's pension reform will be a further case as we examine this issue.

References

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